November 1937

The Industrial War

With bloodshed, high strategy, tear gas, picket lines, and vigilantes, it sweeps along its age-old course for the greater glory of—what?

This issue of FORTUNE *goes to press at a moment when the epic conflict between employer and employee has entered a new phase. It is an ideal time to take stock of:*

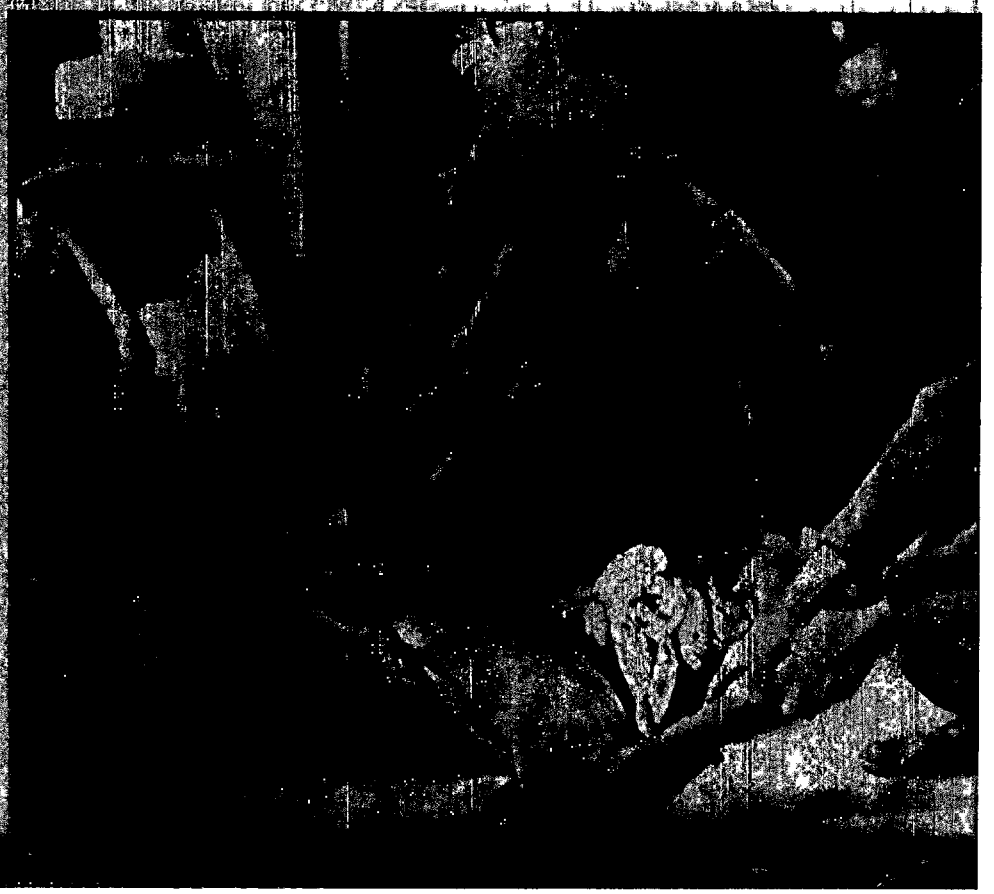
1. *The Textile Strike (1934)* ..... *page 156*
2. *The Remington Rand Strike (1936)* ..... *page 158*
3. *The Rubber Strike (1936)* ..... *page 160*
4. *The Automobile Strike (1936-37)* ..... *page 160*
5. *The Little Steel Strike (1937)* ..... *page 166*

And from these to make some observations on one of the greatest mass movements in U.S. history.

TO PROGRESSIVE sociologists it is axiomatic that the U.S., most advanced of the industrial nations, has had the least developed philosophy of labor. These people contend that until the present Administration took office, labor legislation in the U.S., despite innumerable laws and commissions, had resulted in little essential change in organized labor's standing. They especially emphasize such significant facts as that before the current U.S. union drive, no more than 18 per cent of U.S. nonagricultural labor was organized into trade unions, compared with over 35 per cent in Britain and more than 70 per cent in Sweden. And on the basis of these figures and various supplementary observations that we need not develop here, they hold that U.S. labor has lagged behind U.S. industry in the matter of self-fulfillment.

The U.S. businessman does not admit that his labor philosophy is backward. It is of course impossible to speak for *all* businessmen, and in attempting to speak for even a few one runs into insuperable difficulties in social terminology. The reader who wishes to pursue employer opinion is referred to FORTUNE's anonymous symposium beginning on page 111. Here we can only say that in general, as the businessman sees it, this is a free country, with jobs open to all who can get them and the rights of private property inherent in every economic and political fiber. He has on the whole no "objection" to the organization of labor provided that this will not impede his free action as an owner (or representative of owners) of private property; provided he can hire and fire as he sees fit; provided his individual employees can work when they want to; provided, that is to say, that traditional labor relations are not materially changed. If an "advanced" labor philosophy presumes the existence of national labor unions that curtail this familiar freedom of action, then the average American businessman does not want an advanced philosophy. Confronted with the possibility, or the threat, he takes his position upon the sturdy democratic tradition bequeathed to him by his forefathers, thus placing all those who are opposed to him in the awkward predicament of seeming to oppose that tradition. So that they become what Al Smith calls Communists.

Now whether you believe that this philosophy is backward, or whether you believe that it is the best that any democracy has so far devised, depends roughly upon which side of the private-property line your lot is cast. And as between those two irreconcilable extremes it is not the province of this article to choose. We are not here concerned with theory but with fact: the fact, namely, that for the past four and a half years the U.S. has been in the throes of a major labor upheaval, which can fairly be described as one of the greatest mass

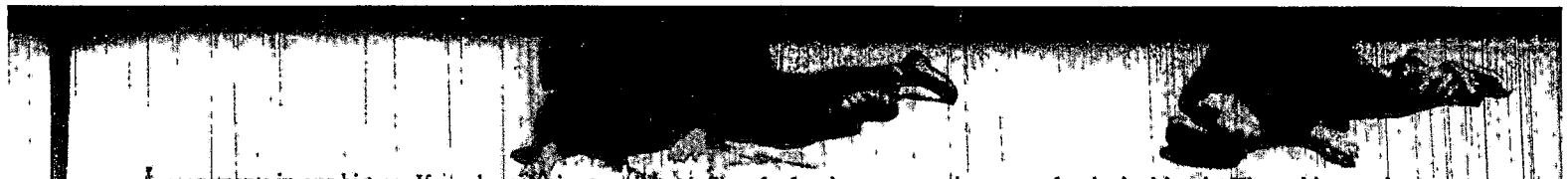


VIOLENCE AND BLOODSHED . . . are depicted on the pages that follow. But all readers should remember that violence and bloodshed are only a part, and in some ways a small part, of the great industrial war that has gone on in this country not just for the last few years but since the beginning of the factory system. Perhaps, however, there was not much historical consciousness in the mind of the man who led at the right—a striker who talked of "recognition"—organized labor's prime objective. Strikes for union recognition are usually more violent than strikes for higher wages, shorter hours, or anything else men strike for—and strikes for recognition now account for more than half the total. They encounter, in the dry terminology of labor economists, "stubborn employer resistance"—which the scene at the right can illuminate more graphically than any pet of statistics. It took place during the Toledo Electric Auto-Lite strike of 1934, which was one of the 1,856 strikes of that year, and one that eventually resulted in the union's establishment in the factory, after a battle in which National Guardsmen fired on the strikers and this man was killed.

THE STRIKE WAVE

. . . of 1933-37 has to date accounted for some 10,000 strikes. Their innumerable individual and group conflicts, collisions of pickets and police, strikebreakers and Guardsmen, are suggested by the five moments pictured on these pages. At the left you see a National Guardsman during the bitterly fought Electric Auto-Lite strike in 1934, one of whose casualties is pictured on the preceding page. Below are two scenes from the strike for union recognition and a wage increase at the Camden, New Jersey, plant of RCA Manufacturing Co. during the summer of 1936, and on the opposite page you see, in addition to the casualties at the top of the page, and the collection of weapons, two glimpses of one of the most savage moments in the history of American labor struggles—the Memorial Day Riot before the South Chicago plant of Republic Steel this year, in which ten pickets were killed and ninety wounded, in a labor tragedy comparable to the Haymarket Riot or the Ludlow Massacre.

Photographs from Acme, Wide World, International, Pictures Inc.



movements in our history. If one bars the irrepressible conflict of the sixties, the only historical phenomenon comparable to the [illegible] movement is the great trek westward, beginning in the Mississippi Valley and ending on the Pacific Coast. And if that classic American migration looms up to our generation as something far more permanent and vast it is well to remind ourselves that the labor movement likewise has a history. There has been labor unrest ever since there was a factory system, but the movement referred to here can properly be traced back to 1886-87, a period of open warfare characterized for the first time by a series of important strikes on the issue of the right to organize and bargain collectively through nationwide unions. The claim to that right, now widely conceded in Britain and the European democracies but still resisted in the U.S., is the keystone of the American labor movement—is indeed what dignifies it as a movement rather than an intermittent and aimless war. Not that employers by and large are opposed to collective bargaining in principle. If they are involved in conflict, even as deeply involved as Mr. Girdler, it is with national unions as instruments for achieving it. The various local unions and independent unions that many employers prefer are in themselves—since the passage of the Wagner Act—an important aspect of the industrial war; but we are here concerned with labor's longer attempt to achieve collective bargaining through nationwide unions such as are organized into the A. F. of L. and the C. I. O.

The history of that struggle can be had from any textbook and need not detain us here. At present we are considering its most modern phase—a phase that, corresponding roughly with the Roosevelt Administration, is in itself a compound affair illustrating an exceedingly rapid change. In the early days of the NRA there was no C. I. O., there was no Wagner Act, there was no La Follette Committee, and no Mohawk Valley Formula, Big Steel had not yet "sold out" to labor, a sitdown strike had never been heard of in lay circles, and the American automobile was still for the most part innocent of unionized hands. Those things and those events were part of an evolution that was in its turn a part of the long labor movement above referred to. Not to understand this is to miss the point of every major event, every tactical decision, every judgment or error in judgment in the current labor world.

As a medical diagnosis can be reached only by a study of the symptoms, so it is necessary in an analysis of industrial warfare to reach into the heart of the problem by way of the strikes. For the strike is the external manifestation of labor's unrest, the thing that happens when an irresistible force meets an immovable body. The modern evolution we are speaking of has made itself manifest by a series of strikes, reaching a tremendous crescendo in the spring of 1937; and for the purpose of obtaining a better perspective on that evolution FORTUNE has isolated five of them, to be examined in some detail presently. As this article will show, strikes resemble wars in this at least—that they seldom break when or where they are expected. But, as of October 1 when this article went to press, there had been a three-month lull in the storm of big strikes. Whether or not this lull is to continue, it seems a likely moment to take stock of the complex modern phase—to recapitulate, to acquire a broader understanding of forces more subject to misapprehension and misinterpretation than any others to which society is heir.

Industry *vs.* Labor

FROM May, 1933, to July, 1937, a period of a little more than four years, there were some 10,000 strikes drawing out no less than 5,600,000 workers. This was aside from all the thousands of quickies, sitdowns, and other protests that tied up industry during that period—a "strike," as defined by the Department of Labor and used in this article, being an affair involving at least six workers for at least one day. But that was not all. Although a wave of strikes

Photographs from Wide World, Underwood & Underwood, Pictures Inc.

after any economic dislocation such as a war or a depression is supposed to be a normal phenomenon, the present strike wave did not entirely adhere to this pattern. It began conventionally enough with 1,695 strikes in 1933 (as against only 841 in 1932), and it rose on schedule to 1,856 in 1934, 2,014 in 1935, and 3,172 in 1936. In the latter year it gave signs of relaxing, the number of workers involved having dropped from 1,117,000 in 1935 to 789,000. But instead of following these indications the wave took life again in 1937, such that there were some 2,500 strikes in the first six months of this year, or more than in 1936 all together. And these strikes involved some 1,200,000 workers as against 789,000 workers for the full year 1936. During the spring labor observers began to predict an all-time high for 1937, with a total of at least 5,000 strikes, the previous high having been made in 1917 with 4,450.*

As already stated, there is now little reason to suppose that the 1917 strike high will be surpassed in 1937. Many an employer feels more secure, and many have fallen back upon the comfortable theory that the 1937 wave, while slightly off pattern, is after all part and parcel of a normal post-depression disturbance. For all anyone knows, these comfortable theorists may be right; but before jumping to that conclusion the wary observer ought to examine the field for himself.

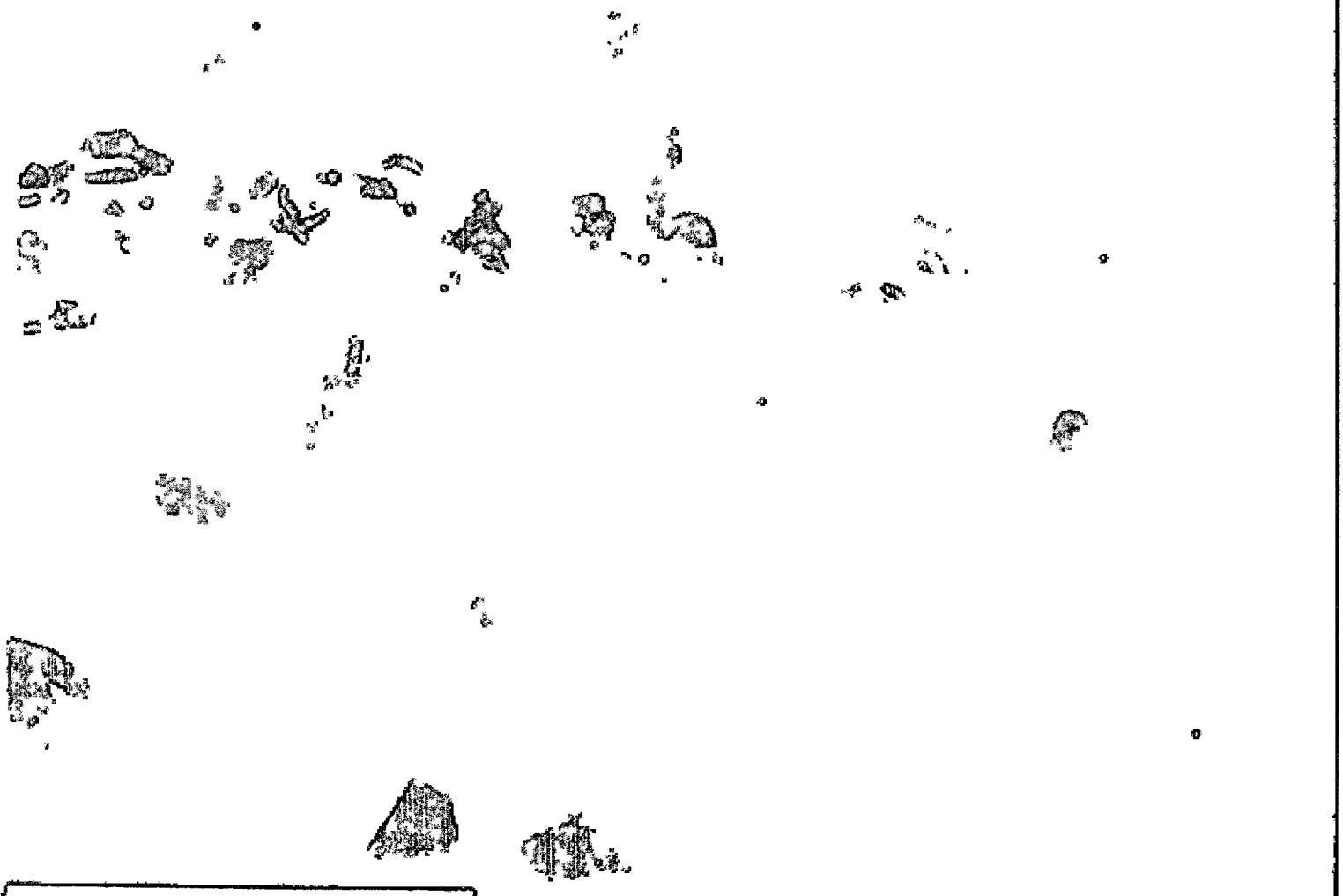
To begin with numbers, the labor movement has been growing prodigiously, displaying an inherent power in the face of numerous emergencies and setbacks. While labor's membership claims are to be taken with some reserve, recent performances make it unwise to discount them too freely. Thus the C. I. O., which had 1,000,000 members in September, 1936, now claims 3,700,000; and the A. F. of L., which then had some 2,600,000, now claims 3,600,000. From these figures, adding in the railway brotherhoods and other independents, one may conservatively estimate the strength of organized labor at over 4,000,000 as of September, 1936, and over 7,500,000 as of September, 1937—a gain of around 90 per cent in twelve months.

This was the high for number of strikes, but 1919 constituted the high for the number of workers involved. Nationwide steel and coal strikes, calling out 800,000 workers, helped the total to 4,100,000.

Labor *vs.* Labor

The more spectacular record is of course provided by the C. I. O. Today every passenger automobile manufacturer except Ford, Hupp, and Nash has a signed C. I. O. contract. The big committee claims some 400 contracts in the textile industry, covering 275,000 workers. It has signed up many companies, including such giants as U.S. Steel and American Viscose, without going so far as to call a strike. And while considering this angle of the situation it is well to remember that despite the strike in Little Steel, the Steel Workers' Organizing Committee has continued to grow, and now claims 400 contracts and a membership of 510,000. To visualize the progress that the committee has made in steel the reader might profitably turn to FORTUNE for October, 1936, where the membership of the Amalgamated Association of Iron, Steel & Tin Workers was somewhat cautiously guessed to be 50,000.

Next, it is important to note the very marked increase in the number of strikes that labor has won during the past decade. Labor won about 26 per cent of its 707 strikes in 1927 and made partial gains in 25 per cent more; and things remained at about this level through 1932. But in 1933, bolstered by NRA, 37 per cent of labor's strikes resulted in victories, and in 1936 the victories reached what is probably an all-time high of 46 per cent, another 24 per cent of the strikes involving partial gains. If these mounting percentages are applied to the rising number of strikes, the effect is startling.



THE LITTLE STEEL STRIKE

. . . called from President Roosevelt a plague on both warring houses as it took its place near the head of the list that includes the great railroad strikes of 1877, the steel strike of 1919, the textile strike of 1934. The picture at the right is one of its minor mysteries, taken on the night of July 26, 1937, near the C. I. O. headquarters in Cleveland when sixty were injured. The clubber has been variously identified as a company thug, a non-striking worker, a striking member of the C. I. O. At top you see pictured (left to right) another victim of the same clash, and next to it a woman striker seriously injured during the RCA Manufacturing Co. strike at Camden when a bottle of ammonia was thrown from the factory. Directly above sitdown strikers are being driven from the plant of the Hershey Chocolate Corp. at Hershey, Pennsylvania. At top right is a scene from a strike called by the C. I. O. at the Robins Dry Dock plant in Brooklyn. One of the workers loyal to the management, "remaining at work" during the strike, is facing a row of police and a line of pickets beyond it.

Associated Press

THE STRIKE IN LITTLE STEEL WAS ONE OF THE MOST VIOLENT IN LABOR HISTORY

. . . witnessing back-to-work movements and Citizens' Committees in steel towns from Monroe, Michigan, to Johnstown, Pennsylvania. Above you see deputies being sworn in for strike duty at Johnstown, on the night of June 16, four days before Governor Earle ordered the plant closed.

In 1927 labor won or compromised about 360 strikes; in 1936 about 1,500.

Some of the reasons for this will become apparent as we proceed. Here they may be summarized as: (1) new legislation making illegal a number of practices traditionally used by employers (such as subsidizing company unions); (2) new techniques, especially that of the sitdown; and (3) a more highly developed strategy, for which the C. I. O. has been largely responsible and which has changed the nature of labor warfare. The C. I. O. approaches an industry with elaborate and forethoughtful plans; organizes on the basis of peace just as long as possible; acquaints itself with sales problems and seasonal swings; and ferrets out weaknesses in the balance sheet.

Third, during the same decade there has apparently been a marked trend (in this case downward) in the number of days lost per worker as the result of strikes. The 1927 strikes, while few in number, were painfully prolonged, with the result that each striker lost an average of 108 days of work. This was largely the result of the soft-coal miners' strike, which frittered along into the next year. By 1928 the average was down to only eighty-eight days. During the depression it dropped substantially; and then fell further in 1933 to an average of only eighteen days, and in 1934 to fourteen, and in 1935 to thirteen. A slight rise in 1936 does not materially affect this general trend, which is strongly illustrated by the fact that for the six pre-NRA years the average time out was fifty-one days per worker, while for the four succeeding years it was eighteen.

Various factors have been responsible for this, among them the sitdown and the techniques and strategy already referred to. But for the quicker settlement of their strikes the laborites have above all to thank the U.S. Government. Congress has boosted collective bargaining by a series of recent enactments, beginning in 1926 with the Railway Labor Act. In 1932 came the Norris-LaGuardia Anti-Injunction Act; in 1933 the Bankruptcy Act amendment and NRA (including labor's famed Magna Charta); in 1934 an amended Railway Labor Act; and in 1935 the stormy Wagner Act, which was upheld by the Supreme Court shortly before the Little Steel strike in 1937. As between industrial warfare (as presented, for instance, in the illustrations to this article) and the orderly process of collective bargaining, Congress has repeatedly condemned the former and embraced the latter, even at the risk of violating what many industrialists are prone to call the American tradition. The Wagner Act was the most radical step in this direction that Congress has

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"In Our Own Experience . . ."

An informal sampling of employer opinion on industrial warfare.

What are U.S. employers thinking about the labor movement described in the previous article? The question cannot be answered satisfactorily short of a scientific survey. But in preparing "The Industrial War," FORTUNE *interviewed more employers than the average man is apt to converse with in the course of several months, and the editors decided that it would be interesting, as a kind of byproduct of their research, to collect some of the more memorable comments and points of view. The collection follows herewith—an informal and anonymous sampling of employer opinion.* FORTUNE *is here, so to speak, at the dinner table. What it has to say is based on no questionnaires. It reports without benefit of stenographer, to say nothing of a Dictograph. And if the result is somewhat contradictory and confused, this is because the state of employer opinion is just that way. It need scarcely be added that* FORTUNE *does not necessarily subscribe to any of the opinions which, in a clinical frame of mind, it has assembled here.*

WITH few dissenters, the executives interviewed praised Tom M. Girdler for his role in the steel strike. Several said that their own labor policies would not have permitted them to act as Girdler did, but they admired his courage. "Above all, he drove home the point of the 'right to work' "—a principle in equity which they asserted to be as important as the "right to strike."

The two-fisted President of a huge corporation not in the steel industry, which deals with both the A. F. of L. and the C. I. O., remarked: "Girdler was ideal for the job for two reasons. First because he had the guts for it; and second, because he didn't represent U.S.—Big Steel. You get my point. The American public think that the Corporation—U.S. Steel—is the steel industry. It's a Morgan outfit, and all the rest of it, or they think it is. Now if Girdler had fought that battle for U.S. Steel, I tell you there'd have been the damnedest uproar this country has ever seen. But he didn't. He only represented himself and Republic."

A Vice President whose corporation had been a hot spot for labor troubles said that Mr. Girdler's performance reminded him of the Louis-Schmeling fight. The public, watching it from the sidelines, said at first: he can't win, he's a damn fool to try. And then it dawned on them. Golly, he *is* winning. And finally: by God he's won.

Sharply dissenting from this encomium, another employer offered the following:

"Tom Girdler gave out the statement that he wouldn't recognize the C. I. O. *even if a majority of his men voted for it.*" [Mr. Girdler's statement is here incorrectly quoted. He has never said that Republic would not recognize the C. I. O. What he has said is that Republic would not *sign a contract* with the C. I. O. even though a majority of its employees voted for that particular union. He has also said that Republic would deal with accredited representatives of any of its employees, whosoever these representatives may be.]

"In my opinion," this gentleman continued, "there is no American workman who is going to take that from Girdler or from anyone else. No one—even if he's wrong—likes to be told he can't think for himself. Girdler's employees may go back to work and keep their mouths

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TOM GIRDLER EMERGES

. . . as the spokesman, not only for the die-hard employers, but also for that portion of the American workers who are either apathetic or opposed to unionism. Mr. Girdler believes that these workers are in the majority. (Whatever the fact, the FORTUNE Quarterly Survey last month indicated that Public Opinion, including that of labor, prefers to have shops kept open for nonstrikers.) The accompanying article indicates that because of his stand most U.S. employers look upon him as a hero.

Harris & Ewing, Wide World, International, Acme

ever made, and whatever problems it involves, the Board that this act set up is perhaps the most effective instrument for the settlement of industrial disputes that the country has ever had. The NLRB is cocky, and as shown in the accompanying article on page 111, many employers accuse it of prejudice and unfair procedures. But between August, 1935, when it was established, and October, 1937, over 7,600 labor disputes involving 2,225,000 workers have been dumped on its doorstep, and it has acted on over 4,500 cases. It claims to have averted 392 strikes involving 95,000 workers and it has adjusted 2,679 cases informally in addition to its highly publicized elections, hearings, and decisions.

Fourth, and perhaps most significant of all, there has been a marked trend in the causes of labor disputes, with the emphasis increasingly on the issue of union recognition. A labor movement fighting merely for better wages might or might not be a "movement" in the profound sense: it might be a kind of guerrilla warfare, indicating unrest but without historical direction. On the other hand, when men strike for union recognition they are striking for collective bargaining, which we have already described as the keystone of the American labor movement. This collective bargaining theme has not always been to the fore by any means. Of the great 1919 strikes, only about 24 per cent were fought chiefly on this issue, while 55 per cent were fought chiefly for wages and hours. (The balance were "miscellaneous.") Up through 1926, indeed, the organization issue never represented 25 per cent of the total. Thereafter there was an abrupt rise, stimulated partly by the general prosperity, and by 1929 about 40 per cent of the strikes were fought for collective bargaining. Then, after declining during the depression, the curve proceeded upward, breaking through 40 per cent in 1934, and reaching 50 per cent in 1936 and 53 per cent for the first half of this year—which so far as the record goes is an all-time high. This can be expressed in another way. In the fourteen-year period beginning with 1919 there were in round numbers 20,000 strikes. Of these 5,000 were primarily for union recognition. But in four years beginning with 1933 there were some 7,000 strikes. Of these, 3,000 were primarily for union recognition.

The fact that half of the 1936 strikes were fought for a principle, with the trend continuing into the stormy spring and summer of 1937, is of such significance that those who follow labor closely are inclined to doubt the comfortable theory already mentioned to the effect that the current wave of strikes is just a normal post-depression phenomenon. Coupled with the prodigious growth of union membership, the increased percentage of strikes won and compromised, and the apparent trend toward quicker settlements, it would seem to indicate the recrudescence of a major mass movement with its roots far in the American past. One must, to be sure, make allowances for Roosevelt "prosperity," which has made it possible for the worker to afford to fight for principles. And one must make a big allowance for assistance rendered by the government. This latter element, however, is itself symptomatic of a real pressure, for the machinery of Washington, unpredictable as its motion may be, does not operate in a vacuum of pure idealism. Washington has strengthened labor's position, not just for the hell of it, but in response to forces that the depression stimulated and revitalized.

So much, at any rate, the realist must admit. It is useless in a situation such as this to hide one's head in the sand—to suppose, as some employers do, that labor's recent drive has been stopped. It may be that the lull in big strikes will continue for some time. But it is possible that even if it does—and even if the violent manifestations of labor's unrest are somehow avoided—labor is in a position to consolidate and even increase its new gains. It has the machinery, whether for peace or for war. And it is rapidly acquiring the men.

The Industrial War

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THE examples of U.S. Steel and American Viscose, which signed with the C.I.O. without waiting for strikes, enable one to speak of peace in connection with a modern labor drive. But certainly peace has not characterized past drives, and it is with these that we are of necessity concerned. As already stated, the modern phase of the labor movement, the post-NRA phase, represents a distinct evolution, and the progress of the evolution has been fraught with warfare of the most harrowing character. It is of course impossible to choose from the 16,000 strikes included in this phase any several that would give a complete evolutionary picture, but it is possible to choose a few strikes to illustrate the more important points. Eliminating the San Francisco General Strike of 1934 as a special affair and the Minneapolis truck drivers' strike of that year on somewhat the same ground, FORTUNE has arbitrarily compiled a list of five samples, which, presented as case histories from an impartial point of view, may at least open the door to an elementary understanding of what has been going on. They are presented herewith.

Textiles, 1934

Mushroom Unions

IF YOU were a union worker in the southern cotton-textile industry on September 1, 1934, your earnings were around $11 a week—and in general you could expect a wage of little more than half the national average for workers in manufacturing. You probably lived in a town of less than 10,000 people. Unlike the 100,000 weavers, spinners, loom fixers, card grinders, smash hands, slubber tenders, and other cotton-textile workers of the North, you lived in a region where the traditions of organized labor were not strong. You were new to industry, and there was much you disliked about it. Your great complaint was what you called the stretch-out, for it, under the NRA cotton-textile code, you worked a basic forty-hour week, you insisted that you produced more than formerly in fifty hours. For instance, you used to make 144 dozen bloomers in ten hours, but now in eight hours you turned out 200 dozen bloomers. You might complain of "docks," of fines, of cases where a week's work brought in $5.88. You were one unit in a vast, disorderly, depressed industry, made up of some 1,200 mills operated by some 850 companies. And, you were probably in a union for the first time in your life.

More immediately, since June your position had grown worse. In that month the cotton-textile code authority had reduced production 25 per cent, which meant a sharp cut in your wages. There was a statewide textile strike in Alabama. The delegates of your local, meeting at the national convention of the United Textile Workers in August, had voted for an industry-wide strike, demanding a thirty-hour week with no wage reduction, more uniform wages in the North and South, establishment of maximum work loads, reinstatement of workers fired for union membership, and—which has most bearing on this article—recognition of the union. Francis Gorman, Fifth Vice President of the Union, had sent the demands to George Arthur Sloan, President of the Cotton-Textile Institute and Chairman of the Cotton Textile Code Authority. He replied that no one could bargain for the entire industry and that the strike was a strike against the code. And the cotton-textile code was no ordinary code. The first of all NRA codes, under which average hourly wages increased 65 per cent in a year, it outlawed child labor, established a labor board to handle disputes, and was generally regarded as one of the most liberal, as Sloan himself was judged a liberal trade-association head. But the union charged that 2,000 cases brought before the board brought no appreciable results. And after six weeks on September 1, 1934, at 11:30 P.M., you, as a good union man, went on strike.

You were caught up, in fact, in the first surge of the strike wave already described in statistics—and your strike accounted for almost 400,000 of the 1,467,000 workers who were involved that year. Above all, it was a strike of a union that had increased its members enormously under the impetus of the NRA drive, the United Textile Workers having grown from some 15,000 before the NRA to claim 300,000 in cotton textiles alone.

The textile strike was a strike involving primarily workers new to organized labor, pitted against a bitterly depressed industry, which meant that it was violent and brief. Twelve strikers and one deputy were killed in the three weeks that it raged. It was also emotional. "God is with us," cried a southern organizer as the strike began, "He will not desert us in this just struggle for ourselves and our families." It was characterized by what liberal economists politely call "employer resistance to collective bargaining." "Mobs of hoodlums and thugs!" thundered the President of the Alabama Manufacturers' Association, after a clash in the mill town of Boaz, "producing something like civil war in the South!" And the New England trade journal *Fibre and Fabric* asserted: "A few hundred funerals will have a quieting influence." The strike was followed by a period of disillusionment with section 7A and the elaborate mediation apparatus of the New Deal. With consequences that will presently be examined.

Largely because of its mushroom growth, the union could not support a long-drawn-out struggle. Facing enormous expenses, it had less than $1,000,000 in the treasury, and the strike might involve 500,000 cotton-textile workers—to say nothing of about 700,000 other workers in silk, wool, rayon, and other branches of the industry. It had four regional offices covering thirteen states and seventy organizers. When Gorman handed out his orders for simultaneous transmission to 500 locals of the union, he knew that the strike could not last longer than three weeks—or, as time is measured during strikes, he had 500 hours in which to win or lose.

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The Industrial War

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The picket lines of fresh recruits tightened around hundreds of the industry's mills, and they stopped production so effectively that textile trade papers reported, along with indignant accounts of violence, that the employers felt they had been outgeneraled by an "audacious and intelligent minority." In the South, during the first week of the strike, fifty flying squadrons of pickets, with from 200 to 650 men in each column of cars, were operating along a 170-mile front from Gastonia to Greenville in the Carolinas. At Trion, Georgia, a deputy sheriff, a picket, and a strike sympathizer were killed and fifteen strikers were wounded in a two-hour pitched battle; at Greenville another strike sympathizer was killed, and during the strike's course there were clashes between pickets, deputies, nonstrikers, and Guardsmen as far afield as Woonsocket, Rhode Island, Lancaster, Pennsylvania, and Augusta, Georgia, where three more strikers were shot, one fatally. At the gate of the Chiquola Manufacturing Co.'s plant at Honea Path, South Carolina, a group of armed men opposing the strike charged the picket line, firing, killing six pickets and wounding fifteen. The union said that the armed group were deputies; the employers said they were nonstriking workers. By the second week of the strike more than 15,000 National Guardsmen had been mobilized in seven states, and a concentration camp for pickets had been set up in Georgia.

The strike's violence created so much bitter controversy that its fundamental issues were obscured. The union's introduction of flying squadrons of pickets, a then relatively unfamiliar weapon that it took over from the coal miners, caused a furor in the press. The employers claimed that the use of these groups of strikers in automobiles, descending on towns suddenly and unexpectedly, was proof that the union had the support of only a minority of the employees in each plant.

For this charge the union's reminder ran roughly as follows: the employees in company towns, especially in the South, could not form picket lines because of armed guards employed by the companies. Nor could ordinary organizing procedure be followed. At Rockmart, Georgia, the president of the local was kidnaped and driven from town; at Winfield, Alabama, two union officials were caught by thirty-three armed guards of the Alabama Mills Co. and ordered to leave the county. And so forth. Against such odds, the union said, the only way a picket line could be established was by means of a flying squadron. At Fitchburg, Massachusetts, for instance, Organizer Powers Hapgood led fifty pickets to the edge of town, but was turned back by police. Later he returned with a flying squadron of 500 recruits drawn from a number of striking mills and succeeded in establishing a picket line. Whereupon the plant in Fitchburg also came out.

But underlying this was the matter of a union with limited resources and a vastly increased membership, waging a strike over an enormous area and around hundreds of mills, unevenly organized within the industry, with inexperienced strikers to man its picket lines—picket lines, the union asserts, that were attacked with forces strong enough to demoralize the most seasoned of hard-bitten unionists. And when the Winant Board issued a report that was a moral victory for the textile workers (since it recognized their basic grievances as real) but was a practical defeat (since it made no provisions for immediate or specific relief), the union called the strike off. "The union has won an overwhelming victory," said Gorman, the union complaining three weeks later that 25,000 strikers had been blacklisted. By the next year the membership claim of the United Textile Workers declined by about two-thirds.

Thus, if you were an average textile worker who went on strike on September 1, 1934, you probably came out of it three weeks later burdened with considerable doubt as to the effectiveness of section 7A. You had been a part of a mushroom growth of unionism that came into being with the signing of the NRA and fell away soon after.

Remington Rand: 1936

The Back-to-Work Movement Develops

IF YOU were an aligner, say, in Remington Rand's ancient red brick Ilion plant your union experiences were of a far more complex character. As an aligner you were one of the most skilled workers in the complicated field of typewriter and business-machine manufacture, but during the depression you may have earned as little as $350 a year, and girls in the factory got as little as sixteen cents an hour. You probably owned your own home in Ilion, but it was mortgaged. In 1933, soon after the NRA was signed and while the textile workers were being organized, a federal union was chartered in the factory, the old craft unions expanded, and by intricate steps too numerous to be traced here, you presently found yourself in John Frey's Metal Trades Department of the A.F. of L., organized along with the employees of the four—later six—Remington Rand plants into a Joint Protective Board of Office Equipment Workers.

Your union went through some of the typical troubles of the new unions of that period. Mr. Rand would not recognize it as exclusive bargaining agent, and on May 9, 1934 you went on strike. After five weeks, the union was recognized as a bargaining agency for its members (it claimed 90 per cent of the production and maintenance workers).

But the troubles of your union were only beginning. Through the winter of 1936 as a good union man you were worried at rumors that Remington Rand had bought a huge abandoned automobile factory at Elmira, New York, and planned to move operations there, developing a new typewriter known as the Madame X. The union was worried because of the contract with Rand, covering the employees of six Rand factories. Would the contract apply in the new Elmira plant? And was the plant at Ilion to close? With these questions agitating them, union officials tried to see Rand. They charged, and the Labor Board later upheld them, that Rand's refusal to see them was a violation of their right of collective bargaining. To the company their questions were an unwarranted intrusion into management and an attempt to find out plans that could not be announced without disclosures to competitors. Plant managers conferred with union people discussing other matters of the contract, but could give no satisfactory answer to the crucial question of what was going to happen at Elmira with Madame X. For these and other reasons a strike vote was taken on April 28, and by a vote of 3,200 to 568, union officers were empowered to call a strike if, in their opinion, "all other means have failed to bring about a satisfactory conclusion."

The union contract contained a confidential clause. It read: "It is understood and agreed that any discrimination or intimidation on the part of any employee toward any other employee shall be just cause for discharge." As the union understood it, this only confirmed the public clause of the contract, which pledged both parties to the maintenance of peace and harmony—"We were not to bother or harm the few scabs, and they were to keep their skirts clean," was the union's interpretation. But on May 21, three weeks after the union authorized the strike, this confidential agreement became the mainspring of action. All employees of Remington Rand had received ballots distributed by the management, reading: *"Are you dissatisfied with present working conditions? Are you in favor of a strike?* In the Syracuse plant the union leaders stopped work until the balloting was called off. Whereupon the company closed the plant for two weeks. Rand informed the mayor that he would reopen after the sixteen union leaders had been discharged—the point being, he insisted, that they had violated the confidential agreement in preventing the balloting. In Ilion, Syracuse, Tonawanda, Middletown, and Norwood, the union prepared for a strike, sending a last wire asking Rand if he was not letting "anger instead of reason rule." There was no reply. The second Remington Rand strike began.

If you were a good union man in Ilion you probably went to the strike meeting at the Temple Theatre on the night of May 25, listened to the speeches and turned out on the picket line the next morning. You may have eaten a sandwich at strike headquarters nearby. You may have watched the thirty-odd newly hired guards of Foster's Detective Bureau arriving to patrol the plant interior. And then things began to happen—not only to you, but to the mayor, the chief of police, a number of small city businessmen, the employees of Remington Rand in other cities, and a number of professional guards. In Ilion a Citizens' Committee was started by Barney Allen, Ilion's retail dealer in General Electric supplies. He was afraid Remington Rand would move out of Ilion, taking the $12,000-a-day payroll that was the town's main income. An organization called the Ilion Typewriter Employees Protective Association was started by Reginald Boote, a young aligner, who opposed the strike. It opened an office and began signing up employees who wanted to go back to work. A "For Sale" sign appeared on the factory. There was one tense moment the second day, with a threatened riot arising out of a brief encounter between strikers and guards. The Citizens' Committee appealed to Governor Lehman to send state troopers to supplement Ilion's six regular officers. He refused, since there had been no violence. Failing, the Citizens' Committee demanded that the mayor appoint 300 special deputies. In an atmosphere of growing hysteria the Citizens' Committee held a mass meeting, Barney Allen called upon the mayor to cooperate or resign, the mayor agreed to cooperate (but

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The Industrial War

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he refused to ring the fire bell to summon the volunteer firemen to be deputized), and 300 deputies were signed up.

On the morning of June 10 the streets near the plant were roped off. Tear-gas guns were mounted in the factory windows. Across the street members of Reginald Boote's Ilion Typewriter Employees' Association gathered for an open meeting. There were a few skirmishes between strikers and nonstrikers, ending when tear-gas bombs were fired. Then the members and sympathizers of the Ilion Typewriter Employees' Protective Association (500 says the union, 800 says Reginald Boote) entered the factory, the flag rose on the factory flagpole, the "For Sale" sign was taken down, and Rand arrived to address the returning employees. That night a state of emergency was declared in Ilion on the strength of rumors that a flying squadron of strikers from Syracuse was rushing to town to help the Ilion pickets. All roads were blocked. The union headquarters were padlocked. During the "siege of Ilion," as the strikers called it, Union Leader Harold Beer (who had worked for Remington Rand for twenty-five years) entered Ilion by going on foot through the woods that lie behind the town. And the siege ended when the strikers broke, more than 1,200 returning to work two days after the strike began.

IF YOU were a union man in Remington Rand's Ilion plant in 1936 you were one atom in the working out of a new force, which, amid charges and countercharges, accusations of prejudice, partisanship, plotting, and worse, was to be analyzed and defined by the National Labor Relations Board as the Mohawk Valley Formula. The nine steps of the Mohawk Valley Formula it found to include: (1) conducting a forced balloting under the direction of foremen to misrepresent the strength of the union, calling strike leaders "agitators," forming a Citizens' Committee under threat to move the plant; (2) arousing the community by calling for "law and order" because of "wholly imagined violence"; (3) calling mass meetings of citizens; (4) calling for armed deputies; (5) starting a back-to-work movement; (6) setting a date for opening the plant; (7) staging the opening theatrically; (8) turning "the locality into a warlike camp"; (9) keeping up a campaign of publicity to convince the remaining strikers that the plant is in full operation.

Thus the Labor Board pictured Rand as a superstrategist of strikebreaking and the originator of a foolproof strikebreaking technique. It revealed that during the Remington Rand strike the company paid, in all, $25,800 to Pearl L. Bergoff for his services and the services of 208 guards and "missionaries," whose function it was to discourage the strikers, $30,000 more to Captain Foster of Foster's Industrial and Detective Bureau, and an additional $25,000 to Raymond J. Burns of the William J. Burns International Detective Agency, Inc. The latter two, according to the company, for protection because of the recurring violence of the strike, which in some of its six towns lasted longer and was more bitterly fought than at Ilion. The Labor Board found Rand guilty of unfair labor practices and ordered him to offer reinstatement to all strikers unemployed, the case going to the courts, where it still remains. The Joint Committee of Remington Rand Employees' Associations (the Board called the one at Ilion "a puppet association . . . secretly organized by the employer") denounced the Board and said its conclusions were based on the false statements of disgruntled ex-employees. And Remington Rand, which had not called witnesses at the Labor Board hearings, called the Board's charges a slander.

In the history of the Wagner Act, and in the Remington Rand strike itself, these charges and countercharges are of primary significance. But in the wave of 10,000 strikes, of which the Remington Rand strike was only a part, they are of less importance than the trends the strike revealed. For the Remington Rand strike shows quite clearly what other strikes barely suggest—the mechanics of a modern back-to-work movement.

Rubber, 1936

The Sitdown Begins

SOME observer poised high above the class struggle about that time might have thought that capital now had all the advantage, with labor's enthusiasm for the NRA ended and the spectacular, coördinated, theatrical Mohawk Valley Formula presently to come into being as an instrument for breaking strikes almost as soon as they got under way. And it might have seemed that with some of the mushroom unions of the NRA period smashed in their attempt to achieve recognition (as in the textile industry) and others broken after they had achieved it (as in the Remington Rand strike), the strike wave was now due to shrink to the proportions of an episode in labor's uneven history.

Instead, out in Akron, Ohio, at three in the morning of February 14, 1936, something happened that sent the strike wave surging to a new high—although its results were not immediately apparent. A major strike began in the rubber industry, growing out of a tangle of accumulated grievances, but taking a form that gave it historical importance. The form it took may have been a natural development in a long chain of brief stay-in and slow-down strikes. But whatever the reason, on that night a group of tire builders in Goodyear Tire & Rubber Co.'s Plant II sat down on the job. Theirs was not the first sitdown. But theirs grew into the Goodyear rubber strike that lasted five weeks, involved 14,000 employees, saw an eleven-mile picket line, and was described by the Department of Labor as "characterized by a lack of violence." It gave the sitdown nationwide publicity, ended with partial recognition of the union, and launched a drive that swept Akron's rubber union membership from less than 2,000 to approximately 37,000, the United Rubber Workers of America from about 3,000 to an organization of 75,000 with 136 locals and the reputation of never having lost a strike.

But it did not begin impressively. On that stormy St. Valentine's day in Akron, Goodyear's management distributed some unwelcome valentines to sixty-nine tire builders of Plant II—the pink slips that meant a layoff. (February sales had been bad, said the management.) The first three men who got them, according to the story, "swore and sat down." They and many others remained sitting down while production heads hurried to the factory. The later shifts coming to work elected committees to support them, and—most important—the conveyers leading to the department were filled and the hot and steamy curing department immediately beyond had no tires to prepare. At nine in the morning the first sitdowners left the plant. Later shifts intermittently worked and sat down. At nine-forty that night Goodyear's outraged management gave notice that anyone not back at work in forty minutes would be dropped from the payroll. At ten-thirty the foremen began handing out notices. One hundred and thirty-seven men were dismissed. Thereafter the progress of the strike became confused—over the issues involved (it grew out of the union's opposition to increased hours and the threat of a wage cut); over union politics (since the union was one of the mushroom unions of the A. F. of L. involved in the split with the C. I. O.); over a back-to-work movement that flourished briefly and died; and over the numerous settlements proposed to end the strike. In the rubber strike itself, in Akron politics, and in the struggle between the A. F. of L. and the C. I. O., these subtleties were of first importance. But in the wave of strikes the sitdowns in Goodyear rubber were consequential because they introduced one of labor's answers to the Mohawk Valley Formula or the less highly organized back-to-work movements of the other side. In the auto strikes that came soon after the sitdown it was to make history on a grand scale. And in the strike in Little Steel, the Mohawk Valley Formula was (perhaps) to be applied on a scale no less sweeping.

Autos, 1936-37

The Sitdown

BY NOVEMBER, 1936, the strike wave we have been describing had added up to over 7,000 strikes. It had included at least six general strikes, the great maritime strikes of the East and West Coast, a nationwide miners' strike, and a multitude of small strikes that followed in the wake of the big ones. It had passed through two distinct stages, suggested by our accounts of the textile strike and the strike at Remington Rand. And it looked as if it were going to decline. The number of strikes had increased slightly through 1936 but the number of men involved had gone down—which meant that the strike wave was now reaching smaller plants, and the figures were swollen by the inclusion of later strikes, strikes of grocery clerks, even by a strike of the graveyard workers of Minneapolis.

Then—to set an arbitrary date for the beginning of the next surge—at eight-twenty-five on the sunny morning of November 18, 1936, five men in the trim department of General Motors' Fisher Body plant in Atlanta were laid off because they came to work wearing union buttons. To General Motors that was a violation of company rules. To the union their dismissal was part of a general attempt to smash the United Automobile Workers, and a sitdown strike occurred. If you were a member of the union and had observed it rise and fall, you probably believed that the systematic firing of union men was part of General Motors policy. You may have joined the auto workers union in 1934 when, as a skyrocketing federal union

[*Continued on page 162*]

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The Industrial War

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of the A. F. of L., it claimed 200,000, with 60,000 members in Detroit. You may have been with it in 1935 when it plummeted down to the point where William Green could complain: "Today, I am sorry to say, we have 35,000. A year ago there were more, but for different reasons they are not with us now." Among those reasons was one later revealed by the La Follette Committee: that General Motors had spent $839,000 in two and a half years on detective services, that a Lansing local had five members, all officers and all stool pigeons provided by a spy agency hired by the company.

If you were a rank-and-file union man among General Motors' 135,000 employees, your biggest grievance was the "speedup"—the most likely cause for "a conflagration in the automobile industry," the NRA's Research and Planning Division had reported. And as a union man, the subsequent months of that conflagration were the most important of your union experience. There was a strike at the Kansas City Fisher Body plant when a union man was fired for jumping over the assembly line. There were three sitdown strikes in the auto-parts industry: at Bendix in South Bend and at Midland Steel and Kelsey-Hayes in Detroit. In Cleveland and Norwood, Ohio, there were General Motors walkouts; at the General Motors Guide Lamp Plant in Anderson, Indiana, there was a sitdown involving 2,400; and in the long, rectangular, brick factories that house the Fisher Body plants of Flint, the strike was touching the heart of the General Motors empire.

Deep in the interior of Fisher I, about a mile away from the imposing group of factories in the central General Motors plant, a sitdown started on December 30. The union had presented a contract to the company a few days before, and now the strikers saw (or thought they saw, for the company says it never happened) preparations being made for removing the big dies from which turret-top bodies are made. Which, they assumed, must mean that the plant was being abandoned. Or that a scare was being thrown into Flint, 45,000 of whose 150,000 work for General Motors. At Fisher II, across Chevrolet Avenue from Chevrolet II, three inspectors who were union men were demoted to the assembly line. (Because they were union men, said the union; because they were supervisors, said the company, and supervisors could not belong to the union.) Workers sat down in both Fisher plants. During the rubber strike, the sitdowners left the plant, formed their picket lines outside. But at Flint several hundred strikers remained in Fisher I and II. The union listed eight demands, including a thirty-hour week, seniority rights, a national agreement, and joint determination of the speed of the line. The company replied that the plants had to be vacated before there could be any discussion. The stage was set for what motor makers still call Detroit's sociological nightmare.

Seen only in relation to Detroit, or to the state of Michigan (where for a period one person in every thirty-three was on strike), or to the automobile industry, the sitdown certainly assumed nightmarish proportions. And because during the General Motors strike there was dancing twenty-four hours a day in Flint at the strike headquarters, at Pengelly Hall, plus ball games in the struck plants, plus food prepared for the strikers by a union chef formerly of Detroit's swank Athletic Club, the sitdowns seemed to take place in a nightmare world where the laws of capitalism, if they operated at all, worked the way the laws of gravity do in a dream. But if viewed in relation to the 1933-37 strike wave, the General Motors strike becomes part of a great pattern. It saw, for example, a back-to-work movement, as well as an injunction against the strikers. The injunction was defied, and the back-to-work movement collapsed, for reasons connected not only with the sitdown, but with the change in labor's tactics in general.

During the strike General Motors got an injunction to evict the sitdowners. But the injunction lost some of its authority when the union promptly disclosed that Judge Edward Black, who issued it, owned 1,000 shares of General Motors stock. Whereupon General Motors got another injunction from another judge. But the sheriff who went inside the plant to read it to the strikers was greeted with boos and catcalls. And Governor Murphy refused to order the National Guard to enforce the injunction until all peaceful means of settlement had been exhausted.

As for the back-to-work movement, in this case called the "Flint Alliance for Security of Our Jobs, Our Homes, and Our Community," it came to its own peculiar kind of grief. While it was growing to claim 12,000 and making preparations for a mass

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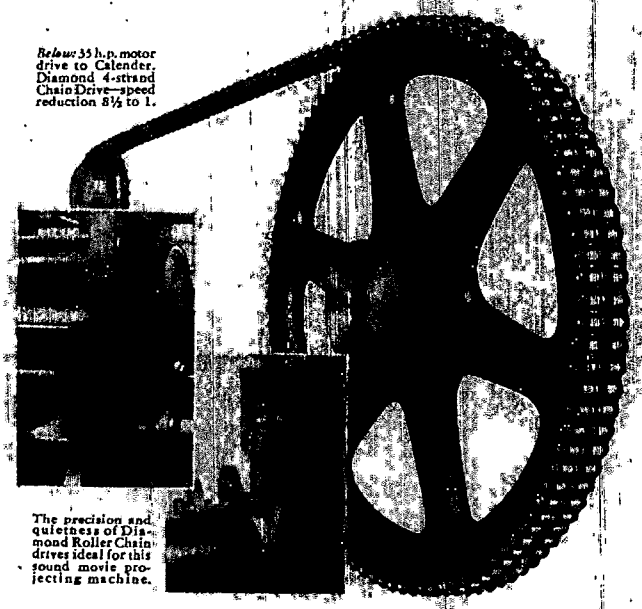

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DIAMOND
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The Industrial War

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meeting, Governor Murphy was holding conferences with General Motors and the union. On January 11 there was an unexpected crisis: the sitdowners remaining in Fisher II thought an attempt was going to be made to evict them. Heat was cut down; the company guards who had previously handed food into the factory now refused to let it enter. But according to General Motors the strikers had for the first time prevented the office force from going to work, which was why the heat was turned off, and although the company guards would no longer hand food into the plant, they would permit it to be handed through the windows. Whatever the reason, the situation suddenly became ominous. By nightfall police had assembled around the plant. In the beginning of a battle that lasted for seven hours, the police broke a window in the plant and fired a tear-gas shell inside; the strikers built a barricade of autos in the street, doused the tear-gas bombs with water from a fire hose, and held their ground. On the third rush the police fired, and fourteen strikers were wounded. And the next day militia massed at Flint, the Fleetwood plant went on strike, while from Washington John Lewis announced that the auto strikers would have the full support of the C. I. O. and Homer Martin hurried to Washington to confer with him.

During the forty-eight crowded hours after the riot in Flint, the ascetic Governor Murphy (whose picture, labeled "Our Friend," looked sternly down on several hundred sitdowners) arranged the famous "Lansing Truce." By its terms the union agreed to evacuate the plants, General Motors agreed not to resume operations in the struck plants, and the union temporarily waived its sole bargaining demand. So it came about that on Saturday, January 16, the sitdowners left the Guide Lamp plant in Anderson, Cadillac and Fleetwood in Detroit. But in Flint a hitch occurred. Talkative ex-Mayor George Boysen, once a Buick paymaster, organizer of the Flint Alliance, told a reporter that at four o'clock Sunday afternoon General Motors would announce that it was going to deal with the Alliance. The sitdowners were scheduled to leave the plants at one o'clock. Informed of this, the union refused to evacuate Fisher I and Fisher II in Flint, and the General Motors strike flared up again.

Such happenings gave a good share of Michigan's population its conviction that law and order had collapsed. But seen in perspective against the strike wave, they illustrated how profoundly union tactics, as well as unions themselves, had changed in the period since the textile strike. Unlike the Remington Rand strikers, the auto strikers had successfully countered a back-to-work movement. They had developed a new organizing technique and a new strike strategy. But more profoundly, they had developed a new concept of strike action, which is nowhere better illustrated than in the story of the seizure of Chevvy IV. By the end of the first month of the strike union leaders wanted a bold stroke to bolster union morale. Half a dozen of them went to the bluff overlooking the seven plants on Chevrolet's eight-acre tract and decided that they had to capture Plant IV, which assembles motors for all Chevrolet automobiles. If the union could get and hold that plant, they could give General Motors all the rest of its establishment and still stop enough production to count.

But a direct attack on Chevvy IV was out of the question. Hardly a hundred feet from this plant was the personnel building, which served as the headquarters and arsenal for the company police. It was too well guarded. Furthermore, the union was not very strong there. They decided to make a false attempt to take Chevrolet IX, a bearing plant on the other end of the tract. Not more than eight strike leaders knew the full details of the plan.

First, thirty-five shop stewards were called to a meeting. It was held after midnight in Fisher I, where the sitdown was in progress, to impress them with its importance and secrecy. Among them, by design, were men known by the organizers to be informers. They were told that an effort would be made to capture Chevrolet IX. This plan met with strong objection because the men knew that the bearing plant would be hard to take—and also that it was relatively unimportant to production because General Motors could get bearings elsewhere. Nevertheless, the program was decided on.

At 3:00 P.M. on February 1, a mass meeting was held in Pengelly Hall. At 3:20 a note was handed up to Bob Travis, chairman of the meeting, who then announced that there was trouble at Chevrolet IX and that everybody should go down there at once. Actually, nothing had yet happened at

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TIP-TOEING OUT OF HIS LIFE

Real barriers to the true enjoyment of family life are those created by worry over the future and a sense of financial helplessness.

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The Industrial War

[*Continued from page 164*]

Chevrolet IX, but promptly at three-thirty at the change of shift the men refused to work, refused to leave the plant, and set up a terrific din. When the strikers from Pengelly Hall arrived at three-thirty-five the "trouble" at Chevrolet IX was in progress.

As had been expected, guards rushed to the plant. Meanwhile, at Chevrolet VI, far from the scene of the trouble, promptly at three-thirty-five a union steward named Ed Cronk sounded a siren, picked up an American flag, and started marching around the factory. He led the march to Chevrolet IV. But in his excitement he forgot to look around, discovering when he got to Chevrolet IV that he had only twenty-five men with him. He rushed back and marched around the factory again, carrying the flag, and this time collected more followers. Once in Chevvy IV the strikers quickly ejected foremen, plant officials, and non-union workers and began to barricade all the doors. Fourteen minutes had elapsed between the time the commotion had started at Chevrolet IX and the time Chevrolet IV was barricaded.

Out of all the sensational news of the auto strike, the seizing of Chevvy IV was the high point. In terms of the auto strike alone it was either the final indignity offered outraged property rights—if you were on the side of the employers—or an illustration of labor's growing initiative—if you were not. But in terms of the 1933-37 strike wave its significance is of a different order. When you compare it with the moves made during the textile strike it serves as a landmark, measuring how far labor had traveled in less than three years and through some 4,000 strikes.

Little Steel, 1937

Back to Work Again

THE strike in the twenty-seven plants of Republic, Youngstown Sheet & Tube, and Inland Steel broke under circumstances that will probably make discussion of it one of the classic problems of union shoptalk, like the seizing of Chevvy IV in the auto strike. It broke less than three months after U.S. Steel signed its agreement with the Steel Workers' Organizing Committee of the C. I. O., six weeks after the Supreme Court declared the Wagner Act constitutional, and five days after the union won a consent election, conducted by the NLRB, at the two great plants of Jones & Laughlin. Because of these facts (and because it was lost) the strike in Little Steel posed its questions for the innumerable grandstand quarterbacks of the labor movement: could it have been won if held back a little longer, until the S. W. O. C.'s organizing campaign had advanced more? Or, could it have been won if more care had been paid public opinion and less reliance placed on public officials? And, finally, what does its loss mean to the C. I. O., and the immediate future of American labor?

Before you can consider these posers in detail, it is necessary to look back on the great steel organizing drive of the C. I. O., begun last year and described in FORTUNE of October, 1936. Forearmed with exhaustive economic studies of the steel industry, financed with a $500,000 war chest contributed by the ten original unions of the C. I. O., manned with skilled old-line organizers of the United Mine Workers (as well as with young recruits from the mushroom NRA unions and a few from the insurgent company unions), that drive was directed primarily at the traditional anti-union fortress of U.S. Steel. In November, 1936 (when the General Motors strike was beginning in Atlanta), the S. W. O. C. held a convention of organizers and announced that 82,000 of the steel industry's 500,000 employees had been signed up. And on March 2, 1937, the quiet of the S. W. O. C.'s office on the thirty-sixth floor of the Grant Building in Pittsburgh was shattered by the most sensational news in the history of steel labor: John L. Lewis and Myron C. Taylor had come to an agreement by whose terms U.S. Steel recognized the S. W. O. C. as the agency for collective bargaining. Thirty-five thousand members, the union claimed, were signed up in the next two weeks. Before the outbreak of the strike in Little Steel, the S. W. O. C. could boast that it had negotiated 140* agreements, established fifty-two administrative offices, and brought 400,000 workers into 797 local lodges.

All of which had brought an answer from the masters of

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**Of these, however, the greater number were in smaller fabricating plants. In steel production, the S. W. O. C., with agreements with U.S. Steel, Wheeling, Jones & Laughlin, and some forty others, could claim to have agreements in plants employing about 50 per cent of the workers.*

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The Industrial War

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Little Steel. Their argument against unions in general and the S. W. O. C. in particular, distilled from opinions in steel journals, the speeches and writings of steel men, would run about like this: if the proportion of union members to total nonagricultural workers in the U.S. has remained below that of the European democracies, it has not been because collective bargaining has been resisted more strenuously by American employers. It has been because American workmen are not greatly interested in national labor unions. From this it follows that national unions are foreign importations, the outgrowth of the rigid class divisions of Europe. From this point of view the issue of collective bargaining is false, since these people maintain that local unions, independent unions, employee-representation plans, and the like provide collective bargaining. Where the Labor Board has decided in a number of cases that such organizations are simply the old-fashioned company unions, revamped to comply with the Wagner Act, the answer is that the Labor Board is prejudiced and unfair. The figures on the increase of union membership are answered by the assertion that the figures are exaggerated, that most members do not pay their dues, and that the labor advance we have described is less a mass movement than the result of a political alliance between the Administration and the leaders of organized labor who, even if their claims are granted, represent only a small percentage of the total industrial population. This point of view, to be sure, is found in other circles than in steel, but in no other industry has it been so vehemently advanced. "I won't have a contract, verbal or written," said Mr. Girdler, "with an irresponsible, racketeering, violent, communistic body like the C. I. O., and until they pass a law making me do it, I am not going to do it."

The density of union membership in all branches of an industry during a union drive is one of labor's essential secrets. But it was no secret, before the strike in Little Steel, that most of the S. W. O. C.'s organizing effort had gone into the campaign against Big Steel. (In Monroe, Michigan, for example, which was to be a crucial outpost in the strike, the S. W. O. C. office was not opened until late in February.) Nor was it a secret that many of the organizers in the Little Steel area were old-line officials of the United Mine Workers, accustomed to handling strikes in the intensely pro-union mine country; or that the 360 strike functionaries—relief directors, clerical force, organizers—were largely directed by men whose experience had been in other lines than steel. All of which, in the opinion of the hot-stove-league experts of labor, pointed to inadequate preparation in the critical pre-strike months. But to answer that, the S. W. O. C. had been organizing in Youngstown a year before the strike and had two groups, each of 500 picked men, called the organizing committee, in Youngstown Sheet & Tube alone. It had prepared a list of 200 lawyers in spots where trouble was expected, and had investigated 100 of these. An exhaustive study of state laws had been made; and an intricate, foolproof, revolving-fund strike-relief system, making possible cash payment for all supplies, had been laid out. "The S. W. O. C. was ready," said one observer, "but not for what happened."

For what happened began outside the area of Little Steel. It began when the Supreme Court on April 12 upheld the constitutionality of the Wagner Act in five cases dealing with discriminatory discharge for union activity—among them the case of ten employees of Jones & Laughlin Steel Corp., who were ordered reinstated with full back pay. It was carried forward the next month when a strike was voted at the two Jones & Laughlin plants, when S. W. O. C. organizers met in Pittsburgh, and, in anticipation of trouble with Republic Steel and Youngstown Sheet & Tube, authorized Chairman Philip Murray to call a strike at his discretion. On the day before the Jones & Laughlin strike began, the C. I. O.'s regional director Clinton S. Golden met Republic Steel's director of industrial relations, Mr. J. A. Voss, in Cleveland, there to define, with that mixture of politeness, strain, diplomacy, and plain speaking that distinguishes big-time union negotiations, the position of both sides. To Republic as well as to the other independent steel companies, agreements had previously been submitted identical with those U.S. Steel had signed. The companies refused to sign, giving as reason their unalterable opposition to the closed shop and the check-off. The union replied simply that it was not asking for the closed shop and the check-off. Wages and hours were not an immediate issue—although the stability of wages was. But the issue became identified in the public

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mind as solely over a signed contract—which, in the opinion of the S. W. O. C.'s critics, meant that the union was going into battle with two strikes against it.

Meanwhile at Jones & Laughlin the forty-hour strike ended peacefully with a consent election conducted by the Labor Board, the union winning a sensational 70 per cent of the votes cast. There was a premonitory clash between Republic and the S. W. O. C. on the night before the balloting began: the union asked warrants for the arrest of eight Republic employees who appeared in Aliquippa, charging they were there to create a disturbance that would disrupt the voting. Republic asserted they were there only as observers. In this period at least seventy-five cases of discharge for union activity in Republic plants were filed with the Labor Board, as well as more cases of threatened discharge; Republic's tinplate mill at Canton was closed and its Massillon plant, where the union was strong, suspended operations. The Massillon local, without authorization of S. W. O. C.'s headquarters, took a strike vote. After signing an agreement with Jones & Laughlin, which made the S. W. O. C. the sole bargaining agency, Philip Murray rushed to a meeting of 200 delegates in Youngstown. It had been hastily called to forestall runaway strike action. It voted a strike in three of the five companies of Little Steel. "Our membership had to be protected," Philip Murray said, making the question of whether the strike was called prematurely largely an academic one.

FROM the bridges over the Mahoning at Youngstown you can look down upon the giant by-product coke ovens, the blast furnaces, the open-hearth furnaces, the Bessemer converters, the blooming mills, the billet and bar mills, the skelp mills, and the spike plant of Republic's Youngstown works; on the smaller mills of Youngstown Sheet & Tube, set almost in the center of the city. You can look down too upon a stretch of grim and smoke-darkened streets, on the section given over to its lurid night life, beside the fence surrounding the Youngstown Sheet & Tube Works. You can see the Bessemer converter that stands like a howitzer beside the red-light district, and from which flames periodically shoot skyward with a volcanic roar, blanching the street with a sulphurous light. You can look down upon a section of gray wooden houses where live a good share of Youngstown's 32,938 foreign-born, alongside her 14,552 Negroes. And on the far side you can see the tree-shaded residential streets, equally remote from the mills and the slums, so closely knit that dwellers there insist that Youngstown, for all its 170,000, is essentially a small town.

Up and down the Mahoning, as the strike got under way, the picket lines formed. They were established at mill gates and along the railroad embankments, organized into groups of five doing six-hour turns, with one leader for each group, four division captains (one for each turn), and a head picket. Forty-two cars patrolled the Campbell picket line. In Warren the line stretched over the eight-mile circuit around the Republic plant. In Monroe it crossed the road beside the Raisin River that led to the main gate. In South Chicago, on the first day of the strike, it formed near the plant entrance at 116th Street and Burley Avenue, but was dispersed by the police, and twenty-three pickets were arrested. Within Republic's plants, by the company's count, a large number of men were still at work—2,400 in Warren, 1,400 in South Chicago, "several hundred" at Niles, 2,900 at Buffalo—and food was brought in to them by airplane and sent parcel post. At Youngstown a train, crashing through the picket line at Youngstown Sheet & Tube, led to violence in the first days of the strike. The planes were fired on, the mails were stopped, and after the train at Youngstown crashed through the picket line pickets cut the rails with acetylene torches.

In every strike the men who remain at work—the loyal workers of embattled management, the scabs of strikers—draw on themselves the accumulated resentment of the picket lines. But in the strike in Little Steel, for reasons that will presently become apparent, the status of nonstriking employees decidedly changed, and with it there was an equally momentous change in the attitude of the union toward them. It was to protect these loyal workers, Republic Steel claimed, that it armed its plants. (Ninety-two riot guns, 2,295 long-range projectiles—tear and sickening gas—326 short-range gas cartridges, and 2,020 gas grenades were purchased by Republic and its subsidiaries in May and June—a total expenditure of $43,901.) And the police of Chicago claimed that it was while protecting the 1,400 (company's figure) workers who

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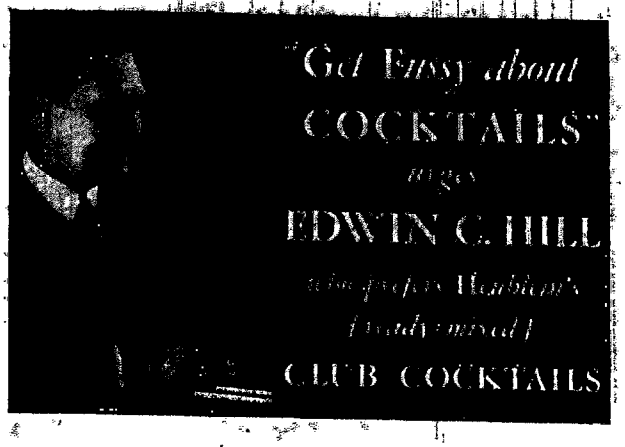

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By HEUBLEIN of HARTFORD

The Industrial War

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remained in the South Chicago works of Republic Steel, on Memorial Day, when the strike was four days old, that the pickets were dispersed, with four killed outright, six fatally injured, and ninety wounded, some thirty of them by gunfire.

Read the report of the La Follette Committee on what it calls the Memorial Day incident and you will find a story as savage as any in the dark annals of American labor struggles. You will read of the strike starting on the day of the general strike call, of gas costing $3,300 stored in the plant, of how the first picket line was dispersed, with twenty-three arrested, and how, afterward, Mayor Kelly stated that peaceful picketing would be permitted. You will read of the increased police force around the plant, of a mass meeting called near the factory, followed by a march toward it to establish the picket lines over "a stretch of flat waste sparsely-inhabited prairie land east of and adjacent to the South Chicago plant of the steel corporation—the plant itself is bounded on the west by the Calumet River, on the north by steel scrap piles, the south by low prairie land, and on the east by a barbed-wire-topped fence and the tracks of the Pennsylvania Railroad." You will read also of the marchers approaching the line of 264 police, of a discussion about picketing suddenly interrupted by a stick thrown by the inevitable unknown, a tear-gas bomb tossed at the moment the cameraman was changing his lenses, and, after a graphic report of the subsequent gunfire, the brutal treatment of the injured, and the sixty-seven arrests, the grim conclusion that "the consequences of the Memorial Day encounter were clearly avoidable by the police."*

AS HAS been pointed out in the Remington Rand strike, the back-to-work movement of contemporary strikes occupies the center of the stage. Early in the Little Steel strike Philip Murray charged that the Mohawk Valley Formula was being followed step by step, and when the strike spread to Johnstown the New York *Times* correspondent, F. Raymond Daniell, found its pattern repeated in the events that led to the formation of a Citizens' Committee, and a demand for the reopening of Bethlehem's Cambria plant. But a strike involving 83,000 and extending over seven states is a vastly different affair from one in a small city dependent upon a single industry, and only at Monroe, Michigan (where the small Republic-owned Newton Steel Co.'s plant was an unimportant unit in Republic's production, but of vital consequence to the community), did events correspond to those in Ilion.

There the mayor polled the employees to determine how many wanted to return to work. Out of a total of 1,350, it was officially claimed 826 voted for, 20 against, and 504 didn't vote. After some 300 men had been deputized, a date was set for opening the plant. It was postponed at Governor Murphy's request. He called a conference in Lansing, to be attended by the mayor, the union organizer, and representatives of the back-to-work movement. While the conference was on, at three in the afternoon of June 10, some 200 deputies marched to the picket line, ahead of the members of the back-to-work movement, organized into an independent union. Given two minutes to open the road, the picket captain gained twenty minutes more in order to telephone Governor Murphy. But while negotiations were going on the ubiquitous tear-gas bomb was thrown toward the pickets while a stone simultaneously sailed toward the deputies, and within ten minutes the pickets were in flight, at least nine automobiles were dumped into the Raisin River by the deputies, and the nonstriking employees returned to work.

At Massillon the back-to-work movement ran into greater difficulties and led to a more tragic ending. There the chief of Massillon's police force of eighteen men refused to permit a poll to be taken because, he said, it would cause trouble unless conducted by the Labor Board. But after a month in which, he testified, he was warned by Republic officials that if the mills closed Massillon would be "just a junction with no need for a mayor or a chief of police," and during which he was urged to deputize special policemen and guards, he blew up: "I said all right I would appoint the whole damn outfit. I would give them everything they wanted." The deputies were sworn in and armed. In spite of the unwillingness of the officials to take this course on the grounds that violence would follow, nothing happened until the

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*The verdict of the coroner's jury was made public the day before the report of the La Follette Committee. The shootings were termed "justifiable homicide."

Left, Druckup Gorge, Transvaal; below, Poland Beach, Lourenço Marquez.

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Right, Durban Country Club; below, Veinter Rock, Caledon, Cape Province.

SOUTH AFRICA

DETAILED INFORMATION FROM ALL LEADING TOURIST AND TRAVEL AGENCIES

The Industrial War

[*Continued from page 172*]

night of Sunday, July 11, when Police Chief Switter took "a little drive in the country for a glass of beer." When he returned he found that in his absence a riot in front of union headquarters had cost the life of a union member, that thirteen had been injured, and 160 arrested.*

But for observing the process by which a full-grown back-to-work movement comes into being (as well as the tension it may create), Youngstown provides a better specimen for study than smaller communities. In the first days of the strike the Independent Association of Republic Employees and the Independent Society of Workers of Youngstown Sheet & Tube opened adjoining offices in the Dollar Savings & Trust Co. ("paying no rent," said the Labor Board's investigator sourly) and began collecting signatures of employees who wanted to return to work. While Governor Davey was calling peace conferences, airplanes were dropping food into the plants and the back-to-work movement spread among the pleasant homes of Norwood Avenue and Poland Manor—an intense drive, made up of employees who did not support the strike, of businessmen who believed that a minority of pickets was preventing the majority of employees from working, of clubwomen who telephoned their resolutions to Boake Carter, wrote letters to the President and sent a delegation to Governor Davey at three in the morning.

The strike was in its third week when Secretary of Labor Perkins appointed a Steel Mediation Board. President Roosevelt declared that companies willing to make oral agreements should put them into writing, and another night riot left two dead and some thirty to fifty injured in Youngstown. The Steel Mediation Board negotiations soon broke down, not over the question of a signed agreement, but over a proposal that the companies recognize the S.W.O.C. pending Labor Board election, the agreements to be torn up in plants where the union lost. The Senate Post Office inquiry was proceeding. That inquiry resembled a La Follette Committee hearing turned around, for in place of reports of violence against strikers by police or company guards, it was filled with reports of violence by pickets against nonstriking workers—stories of men beaten, stripped, or driven from home. In Youngstown, the sheriff deputized a hundred men, and Republic Steel and Youngstown Sheet & Tube had already announced that their plants would be reopened on Tuesday morning, June 22. "In the name of God and the overwhelming majority of steel workers of Youngstown," the union wired the President, ". . . we urge you to immediately intervene in this critical hour and avoid a calamity and disaster that Ohio may remember for decades to come." The United Labor Congress threatened a general strike, the truck drivers struck, union sympathizers streamed into town. Word came at midnight that the mediation conference had broken down, and in the office building of Youngstown Sheet & Tube reporters crowded into two rooms overlooking Shop 14, where the heaviest concentration of pickets was massed before the gates. After midnight word came that by the President's request the mills would not reopen. At Governor Davey's order 5,000 National Guardsmen marched in, and in the morning to the accompaniment of cheers from the picket lines, the tension was broken. And, although it was not apparent until later, so was the strike.

Three days later on June 25 Governor Davey completely reversed his position and, issuing a statement, "the right to work is sacred," ordered National Guardsmen to protect returning workers. The picket lines had been withdrawn, and the Guard now made the reestablishment of the picket line impossible. Attempts to bring in supplementary pickets from Akron and elsewhere were thwarted and simultaneously arrests of strikers and sympathizers began—225 were arrested in Youngstown alone.

In terms of its immediate importance, the Little Steel strike is consequently involved with politics—with the union's belief that it had Governor Davey's support no less than with the labor policy of the Administration, and with whatever decisions were forming in Franklin D. Roosevelt's mind when he wished a plague on the house of John L. Lewis and on the house of Tom Girdler. But in terms of the wave of 10,000 strikes that swept higher while the Little

[*Continued on page 176*]

**The full account of the Massillon incident is told in the record of the NLRB hearings, which opened in Washington on July 21, 1937. Republic's witnesses who denied in many particulars the testimony of the city officials of Massillon on the course of the strike there were heard in Canton, Ohio, three weeks later.*

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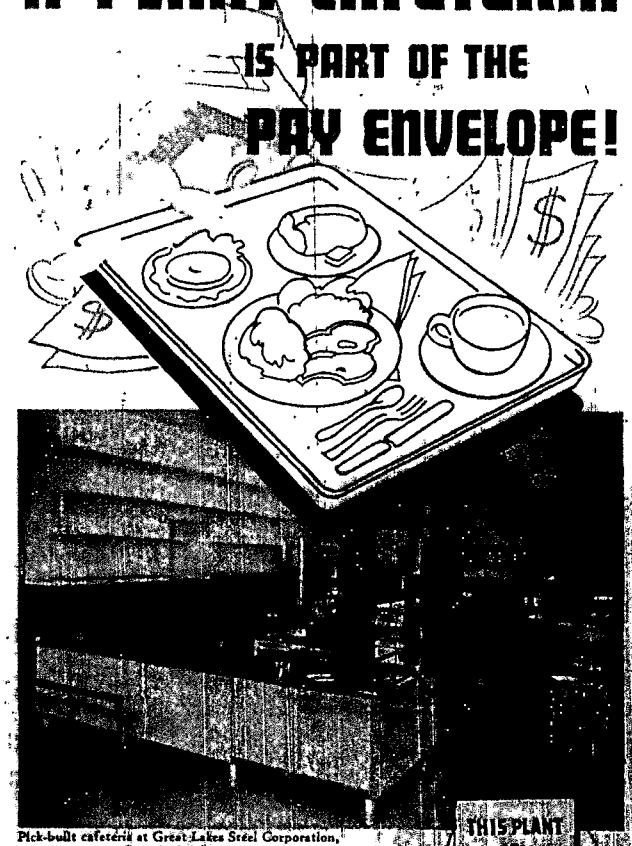

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The Industrial War

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Steel strike was in progress, it marked the first big strike after the Supreme Court decision upholding the constitutionality of the Wagner Act. In the five strikes described (although it was more complex than any except the auto strike) it most nearly resembled the textile strike of 1934.

But its outcome was less clear. Employer opinions on Little Steel's victory you can find summarized on page 111. At present the C. I. O.'s partisans insist that, although the union lost the strike, the companies did not win. If the employers believe that the strike turned public opinion against the C. I. O., the union believes just as strongly that public opinion was turned against the companies because of Girdler's refusal to settle. There is a general agreement that in the strike-bound communities themselves only careful publicity could have forestalled the growth of back-to-work movements, and that the union's reliance on Governors Earle and Davey to intervene constituted the main weakness of the strike. But union officials are also careful to point out that the loss of the strike in Little Steel bears no relation to the loss of the steel strike of 1919, which stopped organizing efforts in steel for twelve years.

They further point out that the Labor Board hearings in the steel companies are still proceeding. Eventually, they expect, elections will be ordered in the plants. Which leads to the profound change in contemporary strikes that the steel strike demonstrated. When it became apparent that the strike could not succeed, the union's attitude toward the men remaining at work underwent a transformation. The nonstriking workers, the historic object of resentment in labor disputes, became the voters of the future, to be appealed to as potential supporters rather than denounced as scabs. This development occurred too late in the steel strike to be of great importance. What it means for the future conduct of unions depends on the next stage in the evolution of the National Labor Relations Board.

THESE are only five of the 10,000 strikes of the 1933-37 wave. They provide a cross section illustrating such features of contemporary labor disputes as the back-to-work movement and the NLRB. But they do not include an illustration of the way the rivalry between the C.I.O. and the A. F. of L. has worked out in the recent past, or suggest how it may work out in the future. Developments in a critical section of interunion struggle—marine labor—were brought up to date in the September issue of FORTUNE. Since that appraisal appeared the complicated struggle of the C. I. O.'s West Coast longshoremen (plus the East Coast seamen) and the A. F. of L.'s West Coast teamsters (plus the East Coast longshoremen) has advanced a stage, and San Francisco has seen A. F. of L. pickets stopping the hauling of C. I. O.—handled freight. Expelled from the Central Labor Council, the C. I. O. unions of San Francisco have set up a rump Labor Council of their own.*

In Flint a Fisher Body construction job was tied up over a fine point: if the C. I. O. dug the foundation, would the A. F. of L. erect the building? In Cleveland a strike of the C. I. O.'s International Ladies' Garment Workers' Union plunged into the most up-to-date kind of labor confusion: the four employers involved signed contracts with the A. F. of L.; the I. L. G. W. U. called the strike; a Labor Board election held in three of the plants gave the C. I. O. a majority in two plants and the A. F. of L. in one. In Philadelphia 25,000 teamsters were called on strike when the C. I. O. signed an agreement with the bakery employers; the C. I. O. agreed to give up the agreement if it lost the Labor Board election; the A. F. of L. won. One of the most clear-cut cases of A. F. of L.—C. I. O. rivalry broke when the National Electric Products Corp. of Ambridge, Pennsylvania, recognized an A. F. of L. union, granting the closed shop and the check-off, at the height of a C. I. O. organizing campaign in the plant. The Labor Board declared the contract void. A federal district court ordered the company to carry out its contract with the A. F. of L. The Board ordered an election, which the A. F. of L. won by 105 votes. But the C. I. O. challenged 155 ballots. In general, labor observers claim that such cases are isolated; the bulk of the C. I. O.'s membership (and most of its current organizing drives) being in mass-production industries that the A. F. of L. has hardly touched.

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**In a number of cases, local Central Labor bodies sympathetic to the C. I. O. have refused to act on the expulsion orders of the A. F. of L.'s executive committee. In others, they have technically complied and set up a unity committee representing both C. I. O. and A. F. of L. unions.*

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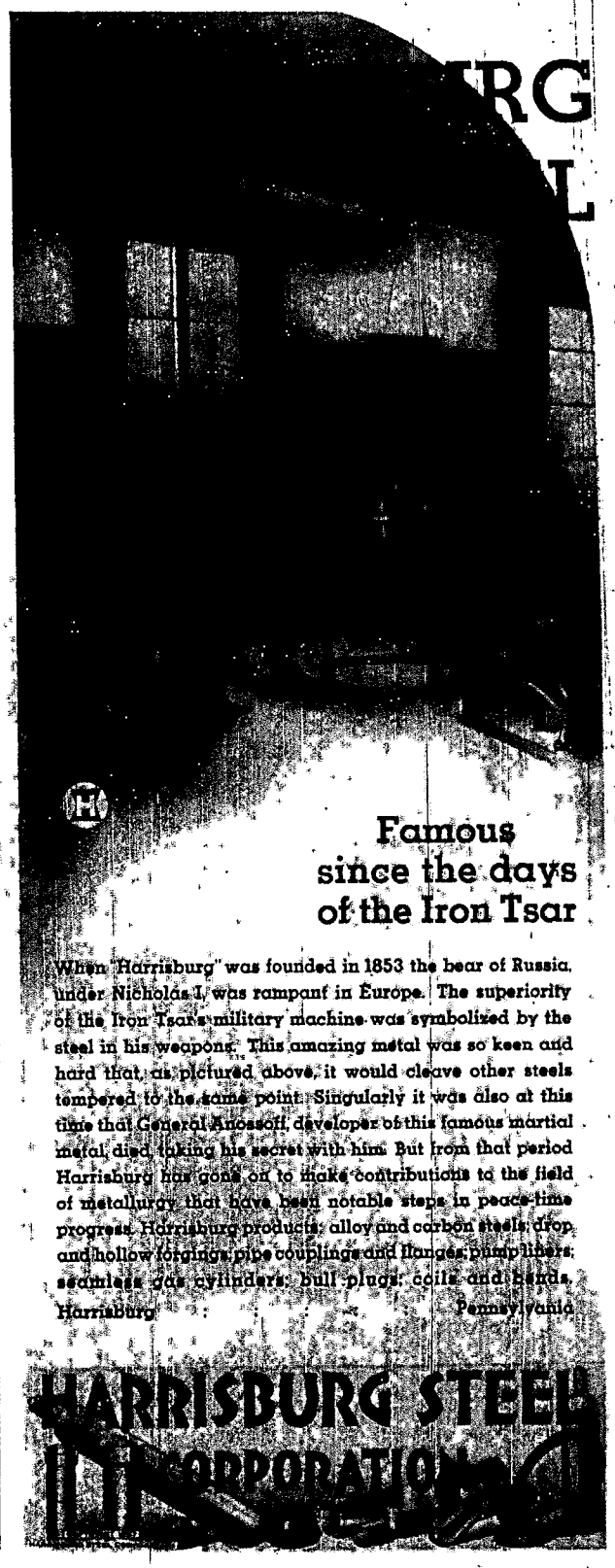
But the number of conflicts is increasing, and only in the last few months, despite the long battle of their organizations, have John Lewis and William Green stopped speaking.

Which leads us to a new if not typical pattern that emerges from the wave of recent strikes—a pattern that persists despite local peculiarities, the infinite variations in the conduct of strikes, or the personalities of strike leaders. If you put it in its most up-to-date form, that pattern would include (1) an employer whose moves are considerably circumscribed by the rulings of the National Labor Relations Board, (2) a C. I. O. union involved in a constantly accelerating race with a rival union of the A. F. of L., (3) a Central Labor Union consequently divided by the rivalry of the two organizations, (4) a group of employees organized into an independent union opposing the strike, and (5) a citizens' committee leading a back-to-work movement.

This pattern is subject to challenge at each of its points: you would have a hard time convincing labor people, for example, that the Board had noticeably circumscribed Mr. Girdler's moves during the steel strike or Mr. Rand's moves during the strike at Remington Rand. Moreover, they could tell you that while it is now illegal for an employer to set up a company union, cases have been heard of where independent organizations greatly resembling the company unions of the pre-Wagner Act period have found large donations in their voluntary collection boxes. With these charges and denials, however, we are not at the moment concerned, the point being that in the wave of strikes the pattern of labor disputes has begun to change since the signing of the Wagner Act.

Or, more exactly, since the Supreme Court decision upholding the constitutionality of the act. In the eighteen months of its existence before April 12, 1937, some 2,425 complaints were filed with the Board. In the seventy-five days after the decision there were 3,137. Even that increase does not suggest how large the Board now looms over every threatening strike situation and every organizing drive, how greatly it figures in the plans of organizers and the literature of trade associations. In the Little Steel strike, when witnesses at its hearings testified that the steel companies had brought pressure to bear on public officials, or in the National Electric Products situation, where it declared void a contract upheld by the district court, the Board has taken steps whose significance cannot be measured by statistics. But statistics will show how deeply a part of the strike pattern the Board now is: during the past year (October 1936-37) the A. F. of L. and the C. I. O. have each filed more than 2,000 complaints, the Board settling slightly more than 700 for the A. F. of L. and slightly less than 700 for the C. I. O. The A. F. of L. has lost as many plant elections as it has won; the C. I. O. has won three times as many elections as it has lost.

The Labor Board is the most recent figure added to the pattern of labor disputes, and with its appearance the positions of the other figures in that pattern have changed. Before the Supreme Court decision, for example, there was a bombardment of injunction suits against the Board (eighty-three up to the time of the Remington Rand strike), and twenty of them resulted in temporary injunctions granted by federal district courts. "The process was like a rolling snowball," the Board complained. "Employers were never complying with our orders . . . They always challenged us to take them into court." Since the decision the Board, no less than the Federal Trade Commission or the Interstate Commerce Commission in their early days, faces the period that every regulatory body goes through, of innumerable court fights on its intricate issues, fought through until a series of Supreme Court rulings defines its powers.

It is no secret that one reason why the close advisers of the President were vitally concerned that his Supreme Court proposal should be vigorously pressed was that they anticipated—and on good precedent—the Court's rejection of the Wagner Act, and the consequent impotence of the Labor Board. It is also no secret that Mr. Justice Roberts reads the newspapers; and it was his vote that validated the act. Without that validation, said many a Washington observer partisan to the President, the labor situation in the U.S. might swiftly have become blood and chaos. Now that the act exists and has been pronounced to conform to the Constitution, Washington breathes more easily. But industry's breathing is still labored—and whether it will become softer or harsher because of the act in 1938, is anybody's guess. The doctors disagree.